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*House Meets at 10:00 a.m. for Legislative Business*

*Anticipated Floor Action:*

**H.R. 2559—Agricultural Risk Protection Act**

**H.R. 2606—FY 2000 Foreign Operations Appropriations (Conference Report)**



**H.R. 2559—Agricultural Risk Protection Act**

**Floor Situation:** The House will consider H.R. 2559 as its first order of business today. Yesterday, the Rules Committee granted a modified open rule that provides one hour of general debate, equally divided between the chairman and ranking minority member of the Agriculture Committee. The rule makes in order a committee amendment in the nature of a substitute as base text and self-executes a manager's amendment that changes certain effective dates to comply with the FY 2000 budget resolution. The rule also makes in order only those amendments that have been pre-printed in the *Congressional Record*. The chairman of the Committee of the Whole may postpone votes and reduce the voting time on a postponed vote to five minutes, so long as it follows a regular 15-minute vote. Finally, the rule provides one motion to recommit, with or without instructions.

**Summary:** H.R. 2559 contains several measures to improve the federal crop insurance program. The bill aims to increase participation in the crop insurance program, improve program administration, and bolster the compliance and enforcement program of the Risk Management Agency (RMA). The bill reduces the cost of crop insurance for farmers by increasing the percentage the federal government pays for premiums. It limits the reductions in insurable yields due to crop losses from natural disasters. The measure authorizes \$25 million annually to research and develop specialty crops and commodities and authorizes the Federal Crop Insurance Corporation (FCIC) to conduct pilot programs to combat the adverse impact of volatile weather and markets. In addition, the bill:

- \* offers farmers who select catastrophic risk protection the option to select area yield insurance that carries a higher combination of yield and price protection;
- \* allows cooperatives and nonprofit trade associations to pay catastrophic risk protection on behalf of farmers;

- \* allows farmers to plant a second crop when the first crop was prevented from being planted because of weather;
- \* provides each crop the same level of “prevented planting” coverage; and
- \* imposes sanctions against fraud, waste, and abuse in the federal crop insurance program.

The bill also includes measures to increase the integrity of federal crop insurance. Specifically, the measure (1) adjusts the composition of the FCIC Board of Directors to ensure that farmers, as well as experts in insurance and agricultural economies, have a voice in the FCIC; (2) imposes sanctions against fraud, waste, and abuse in the federal crop insurance program; and (3) authorizes good performance premium discounts for farmers who have good production or insurance experience. Finally, the bill instructs the FCIC to review its methods for setting insurance premium rates and reduce any rates that it determines are excessive.

CBO estimates that enactment will increase direct spending by \$6.1 billion over FYs 2000-2004. The bill affects direct spending, so pay-as-you-go procedures apply. The bill was introduced by Mr. Combest and the Agriculture Committee reported the bill by voice vote on August 3, 1999.

**Views:** The Republican leadership supports passage of H.R. 2559. The Clinton Administration supports passage of the bill but would like the House to modify certain provisions. Specifically, the president would like the House to (1) modify the insurance premium structure; (2) require mandatory participation in the program to be eligible for other farm program benefits; (3) set clearer standards for reimbursements to private policy developers; and (4) grant more flexible contracting authority for the Risk Management Agency. The president also wants the House to delete provisions that expand the compliance authority of the Farm Service Agency and restructure the Federal Crop Insurance Corporation Board of Directors.

**Amendments:** At press time, the following amendments had been pre-printed in the *Congressional Record*:

**Mrs. Clayton** may offer an amendment (#1) to limit spending for software development, testing, maintenance, and infrastructure security through USDA’s Building Rural American Venture Opportunities program to no more than \$15 million per fiscal year. **Staff Contact:** *Susan Kelly, x5-3101*

**Ms. Jackson-Lee** may offer an amendment (#2) to express the sense of Congress that USDA should ensure the full participation of minority and limited-resource farmers and ranchers in the federal crop insurance program. **Staff Contact:** *Dirck Hargraves, x5-3816*

**Mr. LaHood** and **Mr. Boswell** may offer an amendment (#3) to require the FCIC to conduct two or more pilot programs to evaluate the viability of practical, affordable insurance policies for livestock producers and the means to assist farmers cope with state bonding requirements. Certain states currently require producers to bond their farms in the event of the farm’s closure, which amendment supporters argue places a tremendous financial burden on producers. **Staff Contact:** *Chris Guidry (LaHood), x5-6201; Jon Murphy (Boswell), x5-3806*

**Mr. Upton** may offer an amendment (#4) to require the Agriculture Secretary to rectify a USDA miscalculation regarding payments made to peach producers in Michigan who purchased and received a payment for a crop insurance policy for 1999 fresh market peaches. After a freeze devastated peach crops in

Michigan, USDA miscalculated the price election and paid these producers \$6.25 per bushel instead of the correct price of \$11 per bushel. The amendment requires USDA to make up the amount the producer should have received had the correct price election been used. *Staff Contact: Jon Terry, x5-3761*

**Additional Information:** See *Legislative Digest*, Vol. XXVIII, #27, September 24, 1999.



## **H.R. 2606—FY 2000 Foreign Operations Appropriations (Conference Report)**

**Floor Situation:** The House may consider the conference report to H.R. 2606 after it completes consideration of H.R. 2559. Conference reports are privileged and may be considered anytime three days after they are filed; they are debatable for one hour and may not be amended. Yesterday, the Rules Committee granted a rule waiving all points of order against the conference report and its consideration.

**Summary:** The conference report to H.R. 2606 appropriates \$12.7 billion in discretionary budget authority in FY 2000 for foreign assistance and export-financing programs. This amount is \$69.2 million more than the House-passed bill and \$20.6 billion less than last year (although the FY 1999 amount included \$2.1 billion in emergency spending and \$17.9 billion for the International Monetary Fund). Of the total amount appropriated, the measure provides \$599 million for export assistance, \$7.5 billion for bilateral economic assistance, \$3.5 billion for military assistance, and \$1.1 billion for multilateral economic assistance.

Major funding initiatives in the conference report include:

- \* \$2.7 billion for the Agency for International Development (AID), \$48.6 million more than the House-passed bill;
- \* \$3.4 billion for foreign military financing (\$50 million less than the House-passed bill);
- \* \$78 million for voluntary peacekeeping operations (\$1.5 million more than the House-passed bill);
- \* \$535 million for Eastern Europe and the Baltic States, including \$150 million for Kosovo (\$142 million more than the House-passed bill);
- \* \$735 million for the former states of the Soviet Union (\$10 million more than the House-passed bill);
- \* \$715 million (\$30 million more than the House-passed bill) for child survival and disease elimination activities;
- \* \$19.6 million for the International Fund for Ireland, equal to the House-passed bill;
- \* \$285 million (equal to the House-passed bill) for International Narcotics Control;

- \* \$181.6 million (\$30,000 less than the House-passed bill) for nonproliferation, anti-terrorism, and demining activities; and
- \* \$235 million (\$5 million less than the House-passed bill) for the Peace Corps.

The conference report also:

- \* recommends no less than \$960 million for economic aid to Israel and no less than \$735 million in aid to Egypt;
- \* withholds 50 percent of assistance provided for the government of Russia unless it ends nuclear and ballistic missile cooperation with Iran;
- \* renews for one-year the partial waiver of section 907 of the Freedom Support Act (*P.L. 102-511*), which bans all U.S. assistance to Azerbaijan;
- \* provides \$35.8 million for the Global Environment Facility (GEF), \$14.2 million less than the House-passed bill;
- \* caps funding for bilateral family planning assistance at \$385 million and releases it on a monthly basis of 8.3 percent a month over twelve months; and
- \* provides \$25 million for U.S. contributions to the United Nations Population Fund (UNFPA), but reduces that amount on a dollar-by-dollar basis for any amounts UNFPA spends on activities in China.

The House passed H.R. 2606 by a vote of 385-35 on August 3, 1999. The Senate approved its version (S. 1234) by a vote of 97-2 on June 30, 1999.

**Additional Information:** See *Legislative Digest*, Vol. XXVIII, #27, Pt. III, September 29, 1999; and #22, July 23, 1999.



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